

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

ENTRY-MASTER SYSTEMS, INC. \*

Plaintiff \*

vs. \*

THE CHAMBERLAIN GROUP, INC. \*

and \*

CHAMBERLAIN MANUFACTURING  
CORPORATION \*

and \*


SENTEX SYSTEMS, a division of  
Link Door Controls, Inc. \*

Defendants \*

\*\*\*\*\*

**NOTICE OF VOLUNTARY DISMISSAL WITHOUT PREJUDICE**

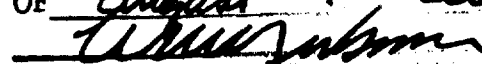
Plaintiff Entry-Master Systems, Inc., by its undersigned attorneys, and Defendants, The Chamberlain Group, Inc., Chamberlain Manufacturing Corporation, and Sentex Systems, a division of Link Door Controls, Inc., by their undersigned attorneys, agree to the voluntary dismissal, WITHOUT PREJUDICE, of the Complaint and Counter-Complaint filed in this case, all subject to and in accordance with the terms of a Settlement Agreement signed by the parties, which is incorporated herein and made a part hereof.

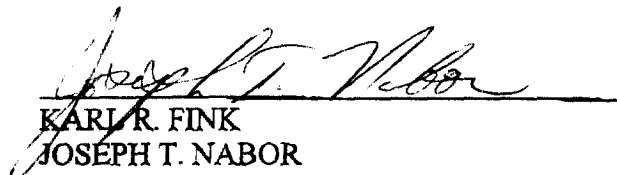
 8/15/02

F. KIRK KOLODNER (Bar No. 01135)  
J. ANDREW McKINNEY, JR. (Bar No. 14369)  
GREGORY M. KLINE (Bar No. 14363)  
Adelberg, Rudow, Dorf & Hendler, LLC  
2 Hopkins Plaza, Suite 600  
Baltimore, Maryland 21201-2927  
(410) 539-5195  
(410) 539-5834 (Facsimile)

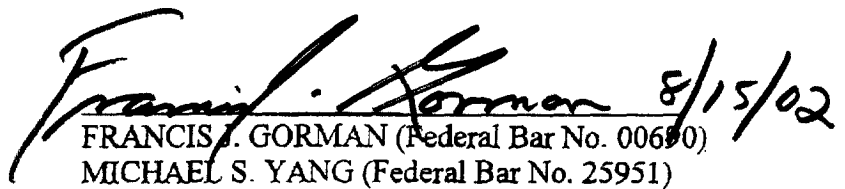
[signatures continued]

Attorneys for Plaintiff

APPROVED " THIS 26<sup>th</sup> DAY  
OF August 2002  
  
SENIOR UNITED STATES JUDGE



KARL R. FINK  
JOSEPH T. NABOR  
RICHARD W. SCHUMACHER  
SANDRA V. SCAVO  
FITCH, EVEN, TABIN & FLANNERY  
120 South LaSalle Street, Suite 1600  
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(312) 577-7007 (Facsimile)



FRANCIS J. GORMAN (Federal Bar No. 00690)  
MICHAEL S. YANG (Federal Bar No. 25951)  
GORMAN & WILLIAMS  
2 North Charles Street  
Baltimore, Maryland 21201  
(410) 528-0600  
(410) 528-0602 (Facsimile)

Attorneys for Defendants

SETTLEMENT AGREEMENT

THIS AGREEMENT is made this 13<sup>th</sup> day of August, 2002, by and between *Entry-Master Systems, Inc.*, a Maryland Corporation, having its principal place of business at 3106 Timanus Lane, Suite 100, Baltimore, Maryland 21244 (hereinafter referred to as “**Entry-Master**”) and *The Chamberlain Group, Inc.*, a Connecticut Corporation, having its principal place of business at 845 Larch Avenue, Elmhurst, Illinois 60126 (hereinafter referred to as “**Chamberlain**”) and *Chamberlain Manufacturing Corporation*, an Iowa Corporation having its principal place of business at 845 Larch Avenue, Elmhurst, IL 60126 (hereinafter referred to as “**Chamberlain Manufacturing**”) and *Sentex Systems*, a division of Link Door Controls, Inc., having its principal place of business at 9800 DeSoto Avenue, Chatsworth, California 91311 (hereinafter referred to as “**Sentex**”).

WHEREAS, Entry-Master is the owner of the U.S. Registration No. 2,532,037 for the mark ENTRY-MASTER which it has used in connection with “computer software for managing facility security, access control, parking revenue tracking, elevator control and monitoring”; and

WHEREAS, Chamberlain is the owner of U.S. Registration No. 1,781,236 for the mark LIFT-MASTER which it has used in connection with “electric door openers and structural parts thereof” and U.S. Registration No. 1,401,035 for the mark GARAGE MASTER which it has used in connection with “electronic garage door openers” and U.S. Registration No. 863,447 for the mark LIFTMASTER which it has used in connection with “residential electrical garage door controllers”; and

WHEREAS, Sentex is a division of Link Door Controls, Inc. and it has used the mark ENTRYMASTER in connection with computer software and hardware which control and operate doors and gates; and

WHEREAS, Entry-Master has brought suit in the U.S. District Court for the District of Maryland (Northern Division), Case No. WMN-02-1589, alleging Trademark Infringement and Unfair Competition by Chamberlain, Chamberlain Manufacturing and Sentex; and

WHEREAS, Chamberlain has counterclaimed in the aforementioned action for Trademark Infringement, Unfair Competition and Trademark Dilution; and

WHEREAS, an evidentiary hearing is scheduled for Thursday, August 15, 2002 on Entry-Master's Motion for Preliminary Injunction in the pending civil action.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Entry-Master hereby agrees to license the use of the mark ENTRYMASTER to Chamberlain and Sentex for use on the computer software and hardware which control and operate doors and gates for two six month terms from August 15, 2002.

2. During the terms of the license described in Paragraph No. 1, Chamberlain and Sentex agree to use the mark in the same manner as it has been used previously and to continue to maintain the same quality of all such labeled goods and services at a level at least as good as is currently produced which is a degree of quality with which Entry-Master is familiar.

3. Sentex and Chamberlain agree that on or before August 16, 2002 or upon the complete execution of this Agreement, whichever occurs first, they will pay to Entry-Master \$30,000.00 for the first six month term of the license specified in Paragraph No. 1 herein. In the

event that Chamberlain and/or Sentex exercise the right to use the ENTRYMASTER mark on computer software or hardware for operating and controlling doors and gates beyond February 15, 2003, then by February 15, 2003, Sentex and Chamberlain will pay to Entry-Master another \$30,000.00 for the second six month term. Chamberlain and Sentex shall give written notice to Entry-Master on or before February 15, 2003 as to whether they intend to continue to use the ENTRYMASTER mark. If no written notice is given by February 15, 2003, then it will be deemed that Chamberlain and Sentex have agreed to use the ENTRYMASTER mark for the second six month term, in which case the additional \$30,000 payment shall be made immediately.

4. The parties agree that the purpose of the license provided in Paragraph No. 1 herein is to provide Chamberlain and Sentex the opportunity to dispose of existing inventory and to provide an adequate opportunity for them to adopt a different mark.

5. At the conclusion of the first license term ending February 15, 2003, or at the conclusion of the second license term ending August 15, 2003 if the license was extended for the second license term as provided in this Agreement, but, in any event, by August 15, 2003, Chamberlain and Sentex agree that they will cease all use of the ENTRYMASTER mark and any confusingly similar mark for use on computer software and hardware for operating and controlling doors and gates or for goods or services closely related thereto.

6. The parties agree that the prohibition of use specified in Paragraph No. 5 shall continue forever, unless or until such time as Entry-Master or any of its successors in interest with rights to its mark shall expressly abandon those rights.

7. The parties agree that upon the complete execution of this Agreement they will dismiss the present civil action and their claims against each other by executing and filing the Notice

of Voluntary Dismissal attached hereto, and that upon the cessation of use specified in Paragraph No. 5 herein the dismissal will be with prejudice.

8. Chamberlain, Chamberlain Manufacturing and Sentex each acknowledge the validity of U.S. Registration No. 2,532,037 and admit no liability for the claims presented in the Complaint by Entry-Master.

9. Entry-Master acknowledges the validity of U.S. Registration Nos. 1,781,236; 1,401,035 and 863,447 and admits no liability for the claims asserted by Chamberlain.

10. In the event that any party to this Agreement is in breach of the terms herein, then the non-breaching party shall be entitled to recover fully its costs and attorney fees in any action brought to enforce this Agreement.

11. This Agreement is binding upon the parties hereto and their successors, assigns, legal representatives, affiliates, licenses and subsidiaries including their officers, agents, servants, employees and attorneys, and all persons or entities in active concert or participation with them.

12. This Assignment sets forth the full understanding of the parties and supersedes all prior discussions, understandings and/or agreements, whether oral or written.

13. The parties agree that in the event of a dispute, the United States District Court for the District of Maryland shall have jurisdiction in resolving any such dispute, and the parties consent to its jurisdiction.

14. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and which together shall constitute the agreement of the parties. A photocopy of this Agreement shall be binding as if it were an original.

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08/13/2002 14:00

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ADELL RG, RUDOW, DORF + HENDLER → 4105941808

ENTRY-MASTER ITEMS

PAGE 01/01  
NO.048 0006

***Entry-Master Systems, Inc.***

By: [Signature]  
Name: Kevin W. Baker  
Title: President/CEO  
Date: 8/13/2002

***The Chamberlain Group, Inc.***

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

***Chamberlain Manufacturing Corporation***

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

***Sentex Systems, a division of Link Door Controls, Inc.***

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**Entry-Master Systems, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**The Chamberlain Group, Inc.**

By: Mark P. Tabor  
Name: MARK P. TABOR  
Title: V.P. LAW AND HUMANS RESOURCES  
Date: 8/13/02

**Chamberlain Manufacturing Corporation**

By: Mark P. Tabor  
Name: MARK P. TABOR  
Title: V.P. LAW AND HUMANS RESOURCES  
Date: 8/13/02

**Sentek Systems, a division of Link Door Controls, Inc.**

By: Mark P. Tabor  
Name: MARK P. TABOR  
Title: V.P. LAW AND HUMANS RESOURCES  
Date: 8/13/02